



## Concept Paper # 241

Presented to the Department of Administrative Services (DAS) and the State CIO

Date Prepared: 2/20/13

Name of document to be reviewed: Audit Component Enhancement Services

*(Please check one item listed in the following two sections)*

Document for review and approval:

- ☐ Request for Proposal (RFP)
- ☐ Request for Service (RFS)
- ☐ Request for Quote (RFQ)
- ☐ Invitation to Qualify

- ☒ Sole Source Procurement
- ☐ Statement of Work
- ☐ Staff Augmentation
- ☐ Master Agreement Purchase

*NOTE: Sole source procurements will also need authorization from DAS Procurement for this type of purchase. Please also contact DAS Procurement at this location:*

<http://das.gse.iowa.gov/procurement/solesource%202010.pdf>

Document for review only:

☐ Master Agreement

☐ Request for Information (RFI)

Agency:

RFP Reference #: TBD

Release Date: TBD

This project is requesting IOWAccess funds: Yes ☐ No ☒

*NOTE: IOWAccess concept papers are to be sent to Wes Hunsberger ( [Wes.Hunsberger@iowa.gov](mailto:Wes.Hunsberger@iowa.gov) ) for an internal DAS review.*

Projected cost over \$50,000? Yes ☒ No ☐

Projected agency staff hours over 750? Yes ☐ No ☒



**Project Cost, Funds and Funding Source:**

Please list the internal and external resources/costs for the purchase:

Internal Resources/Costs:

External Resources/Costs: Estimated cost \$135,000

**Timelines:** Contract by March 20, 2013.

**Goal:** The Iowa Department of Revenue needs the services of Teradata to provide enhancements to the Department's web-based Audit Component application.

**Background:** In 1988 the Department recognized the need to develop and implement an automated environment to process and calculate tax adjustments, generate tax payer correspondence, automatically interface billing and refund activity, and provide opportunities for tracking audit progress and results, creating audit histories, and producing management reports. In 2000 the Department implemented a data warehouse platform. In late 2001, a web-based software system, called the Audit Component, was developed and implemented.

The web-based Audit Component provides easy access to all users that are working on audits and minimizes system administration requirements. The Audit Component is used to initiate, track, perform, and manage audit activities and audit programs for the Department. The term "component" refers to the fact that audit tracking is one piece of the total information system functionality needed to manage the Department's business operations.

**Expected Results:**

**What are the tangible and intangible benefits of this purchase for this agency and/or state government?** The tangible benefit is providing enhancements service for the Audit Component Application. These enhancements will provide greater controls/access for managers, create more efficient process, and improve the performance of the application.

**Can these benefits be quantified in financial terms? If yes, please explain.**  
No.

**How will you be more effective as a result of this purchase?**

These enhancements will enable us to improve monitoring and standardization of audit activities. It will make examiners more efficient, prepare them to perform their audits and allow managers to better understand what is happening with each audit.

**How will service to your customers be enhanced as a result of this purchase?**

These enhancements will provide enhanced, efficient, and timely customer service. They will also improve standardization of audits.

**Testing and Acceptance:** The vendor conducts testing on the enhancement as well as regression testing on other areas of the application related to the enhancement. The enhancements will then be placed on our test



system for user acceptance. Once the enhancement is thoroughly tested by the department it will be moved to the production system.

**Some of the Interested Parties:** The Tax Management Division is the primary user of the Audit Component. The division is responsible for ensuring tax compliance for the major tax types administered by the Department. The application also tracks the departments' protests and is used by Revenue Agents.

**Some of the Recipients of this Service:** The Tax Management Division is the primary user of the Audit Component. The division is responsible for ensuring tax compliance for the major tax types administered by the Department. The application currently has 140 active users on the system. Other recipients are the taxpayers of Iowa. The Department is creating tax compliance using the Audit Component in conjunction with the Data Warehouse by creating a method that audits can be processed. This allows audits to be completed timely and the results generated to be accurate.

**Standards:** The application is compliant with Applicable State Standards.

**Architecture:**

The Audit Component is compliant to run under the current IDR hardware and operating system architecture.

**Business Continuity / Disaster Recovery:** This application can be restored using the recovery point objectives outlined in the DAS-ITE backup SLA and the COOP/COG plans.



**Recommendations from the State CIO:**

**NOTE:** Where applicable, all DAS GSE Procurement and IA Administrative Code 11-105 and 11-106 requirements and procedures are to be followed. Reference: <http://das.gse.iowa.gov/procurement/>, specifically: <http://das.gse.iowa.gov/procurement/adminrules/>.

Duplication recommendation from the State CIO to the DAS Director:

- a) Is there duplication within Government? *(Please identify duplication at the agency level, as well as within the enterprise)*
- b) Can an existing program be modified to address a new need?
- c) Do you have any similar program in existence?
- d) Have you sought IT procurements for similar programs in the past?
- e) Do you have purchasing documents for similar programs?
- f) Do you have similar purchasing documents that could be used as a starting point for this program?
- g) Is there anything you could provide that could assist the agency with this IT procurement?
- h) Are there alternatives available to the agencies?

**Recommendation of the State CIO to the DAS Director:**

Authorize this IT procurement Yes X No \_\_\_\_

Alternatives suggested by the State CIO  
(see comments below) Yes \_\_\_\_ No X

Additional comments from the State CIO:

**TEC recommended approval and subsequently approved by the State CIO. Matt Behrens will consider issues with Department of Human Rights' use of the system.**

**DAS Director's action:**

Authorize this IT procurement Yes X No \_\_\_\_

**The above IT procurement concept approved by Director Carroll on 3/13/13**

Comments: **None.**